

REPORT OF THE COMMITTEE ON FINANCE

February 20, 2009

The Honorable,
The Board of Commissioners of Cook County

ATTENDANCE

Present: President Stroger and Chairman Daley, Vice Chairman Sims, Commissioners Beavers, Butler, Claypool, Collins, Gorman, Goslin, Maldonado, Moreno, Murphy, Peraica, Quigley, Schneider, Silvestri, Steele and Suffredin (17)

Also Present: Donna L. Dunning - Chief Financial Officer, Bureau of Finance; Patrick T. Driscoll, Jr. – Deputy State's Attorney, Chief, Civil Actions Bureau; John Morales – Cook County Comptroller; and Bruce Washington – Director, Office of Capital Planning and Policy

Absent: None (0)

Court Reporter: Anthony W. Lisanti, C.S.R.

Ladies and Gentlemen:

Your Committee on Finance of the Board of Commissioners of Cook County met pursuant to notice on Friday, February 20, 2009 at the hour of 2:00 P.M. in the Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois.

Vice Chairman Sims, seconded by Commissioner Silvestri, moved to suspend Section 2-108(h)(1) "Prior notice to public; agendas" of the Cook County Code. The motion carried.

Chairman Daley stated that the suspension of the rules allows for a 48 hour notice to the public.

Commissioner Silvestri stated that the 48 hour notice is consistent with the Illinois Open Meetings Act.

Your Committee has considered the following items and upon adoption of this report, the recommendations are as follows:

296785 **SELF INSURANCE BOND, SERIES 2008 – FINANCE MEMBERS.**
Transmitting a Communication, dated October 10, 2008 from Donna L. Dunning, Chief Financial Officer, Bureau of Finance:

transmitting herewith for your consideration are the finance members for the Self Insurance Bond, Series 2008.

Self Insurance Bond, Series 2008

Lead Financial Advisor: Mesirow Financial

Co-Financial Advisor: Gardner, Underwood and Bacon, LLC
Bond Counsel: Chapman and Cutler
Underwriter's Counsel: Greene and Letts
Senior Manager: Loop Capital Markets, LLC
Co-Senior Manager: Ramirez and Company
Co-Managers: JP Morgan Chase
George K. Baum
Goldman Sachs
Grigsby and Assoc.

*** Referred to the Finance Committee on 10/15/08.**

Commissioner Silvestri, seconded by Commissioner Peraica, moved to receive and file Communication No. 296785. The motion carried. Chairman Daley voted present.

297362 **CAPITAL IMPROVEMENT GENERAL OBLIGATION BONDS, SERIES 2008 FINANCE MEMBERS.** Transmitting a Communication, dated November 5, 2008 from Donna L. Dunnings, Chief Financial Officer, Bureau of Finance:

transmitting herewith for your consideration are the finance members for the Capital Improvement General Obligation Bond, Series 2008 to be referred to the Finance Committee.

Capital Improvement General Obligation Bond, Series 2008

Lead Financial Advisor: Mesirow Financial
Co-Financial Advisors: A.C.Advisory
Davis Financial
Bond Counsel: Chapman Cutler
Co-Bond Counsel: Perkins Coie, LLP
Underwriter's Counsel: Pugh, Jones, and Associates
Co-Underwriter's Counsel: Burke, Burns & Pinelli, Ltd.
Senior Manager: Loop Capital Markets, LLC
Co-Senior Manager: Ramirez and Company
Co-Managers: Citigroup Global Markets, Inc.

SBK Brooks Investment Corp.
Siebert Brandford Shank & Co., LLC
William Blair and Company

*** Referred to the Finance Committee on 11/19/08.**

Vice Chairman Sims, seconded by Commissioner Beavers, moved the approval of Communication No. 297362.

Commissioner Silvestri asked for the total amount of appropriation authority that was approved by the Board for capital projects.

John Morales, County Comptroller, stated that the original amount requested for capital projects was \$282,852,749 and it has now been reduced to \$262,993,365, for a net reduction of \$19,859,384 (-7.02%) for that category.

The original amount requested for capital equipment was \$152,186,857, and it has now been reduced to \$90,349,206, for a net reduction of \$61,837,651 (-40.63%) for that category.

Commissioner Silvestri asked for the actual amount of Bond that will be issued.

Mr. Morales stated that the actual net was reduced from the original request of \$375,900,000 down to \$294,202,965 for a net reduction of \$81,697,035 (-21.73%) below the original request.

Commissioner Collins expressed concern regarding a number of deferred capital improvement program items. The items in question involved requests for new camera and security systems at various county facilities. Questions had been raised regarding the possibility of paying for the equipment with homeland security grants, and the requests were deferred pending more information.

Bruce Washington, Director of the Office of Capital Planning and Policy, agreed that the cameras and security systems were important priorities, and he was hopeful that approval to proceed would be granted soon.

Chairman Daley stated that his understanding was that the matters could be deferred, and that Mr. Washington had not indicated otherwise until now. Given the conflicting statements, deferral of Communication Number 297362 in its entirety would be in order.

Commissioner Suffredin stated that the Board previously passed a bond authorization in the amount of \$740,000,000. The only thing that is before the Committee today is approval of the finance team. He stated that once a team has been chosen, the Administration has the ability to issue \$740,000,000 worth of bonds. Commissioner Suffredin stated that he does not believe that you can use the selection of the team to limit the amount of bonds the County is issuing. The only thing that the Board is requested to do at this time is to approve the team. The dollar amount is specified in the prior Ordinance that the Board previously approved, and is not before the Committee at this time; therefore it can not be amended.

President Stroger stated that Commissioner Suffredin is not correct in his statement and would like to check on the matter to verify his claim.

Commissioner Suffredin, seconded by Commissioner Silvestri, moved to defer consideration of Communication No. 297362. Commissioner Peraica called for a Roll Call, the vote of yeas and nays being as follows:

**ROLL CALL ON MOTION TO DEFER
COMMUNICATION NO. 297362**

Yeas: Commissioners Claypool, Collins, Gorman, Goslin, Maldonado, Murphy, Peraica, Quigley, Schneider, Silvestri and Suffredin (11)

Nays: Commissioners Beavers, Butler, Moreno and Steele (4)

Present: Chairman Daley and Vice Chairman Sims (2)

Absent: None (0)

The motion to defer Communication No. 297362 CARRIED.

298804 **COUNTYWIDE CONTRACTS FOR THE PURCHASE OF VEHICLES.**
Transmitting a Communication, dated January 14, 2009 from Thomas J. Dart, Sheriff of Cook County by Alexis A. Herrera, Chief Financial Officer:

requesting authorization for the Purchasing Agent to enter into and execute contracts with the following vendors for the purpose of providing a countywide contract for the purchase of various types of Ford and Chevrolet brand vehicles.

<u>VENDOR</u>	<u>AMOUNT</u>
Metro Ford Chicago, Illinois	\$1,108,479.00
Sutton Ford Matteson, Illinois	\$5,197,272.00
Miles Chevrolet Decatur, Illinois	\$6,774,706.00
Advantage Chevrolet Hodgkins, Illinois	<u>\$ 135,749.00</u>
Total	\$13,216,206.00

Reason: The Cook County Sheriff's Office, with the consultation and approval of the Vehicle Steering Committee conducted a Request for Proposal (RFP) for the purchase of various Chevrolet and Ford brand vehicles. Metro Ford, Sutton Ford, Miles Chevrolet and Advantage Chevrolet are the selected vendors because they offered the most economical price and met all the technical specifications for the RFP. It has become necessary to seek board approval at this time due to Chevrolet's March 4, 2009 deadline for ordering Malibu Hybrid

vehicles.

Total Estimated Fiscal Impact: \$13,216,206.00. Contract period: March 1, 2009 through August 30, 2009. (717/various departments-549 Account).

~~Sufficient funds have been appropriated to cover this request.~~

Approval of this item requires the issuance of general obligation Capital Improvement Bonds.

The Vehicle Steering Committee concurs with this recommendation.

Vendor has met the Minority and Women Business Enterprise Ordinance.

* **Referred to the Finance Committee as amended on 02/18/09.**

** **The Consolidated Summary of Countywide Vehicle Contracts by Vendor and Model chart is attached hereto and made a part hereof.**

Communication No. 298804 was withdrawn at the request of the Sheriff.

Commissioner Suffredin, seconded by Vice Chairman Sims, moved to adjourn the meeting. The motion carried and the meeting was adjourned.

**YOUR COMMITTEE RECOMMENDS THE FOLLOWING ACTION
WITH REGARD TO THE MATTERS NAMED HEREIN:**

Communication Number 296785
Communication Number 297362
Communication Number 298804

Received and Filed
Deferred
Withdrawn

Respectfully submitted,
Committee on Finance

John P. Daley, Chairman

Attest:

Matthew B. DeLeon, Secretary

The transcript for this meeting is available in the Office of the Secretary to the Board, 118 North Clark Street, Room 567, Chicago, IL 60602.